

## Outline

### Amendments to the Rules of the United Kingdom Mutual Steam Ship Assurance Association Limited.

To be considered at a Special General Meeting of the Members of The United Kingdom Mutual Steam Ship Assurance Association Limited, to be held in London on 20th January 2026.

AMENDMENTS TO THE RULES	EXPLANATORY NOTES
<p><b>Rule 2 Section 17 Cargo liabilities Proviso (c)(vii) and Rule 5 (P) Recoveries, savings by the Owner and subrogation</b></p> <p><i>Amend Rule 2 Section 17 Cargo liabilities Proviso (c)(vii) by deletion of the words indicated and amend Rule 5 (P) by addition of the words in bold type and re-number subsequent sub-paragraphs as shown below:</i></p> <p>Rule 2 Section 17 Cargo liabilities Proviso (c)(vii)</p> <p>...</p> <p>c) Claims payable only at the discretion of the Members' Committee</p> <p>Unless and to the extent that the Members' Committee in its discretion otherwise decides, there shall be no recovery from the Club in respect of liabilities, costs or expenses arising out of:</p> <p>...</p> <p><del>vii. the Owner's agreement to waive or limit rights of recourse that would otherwise have been available to the Owner under the contract of carriage in accordance with Hague / Hague Visby Rules or mandatorily applicable law.</del></p>	<p><b>Rule 2 Section 17 Cargo liabilities Proviso (c)(vii) and Rule 5 (P) Recoveries, savings by the Owner and subrogation</b></p> <p><i>The 2024 Club Rules were amended in line with the Pooling Agreement. This included a provision excluding liabilities that would not have been borne except for a waiver or limitation of rights of recourse available under the Hague/Hague Visby Rules. This exclusion is being redrafted in the Pooling Agreement for 2026 to define its scope by reference specifically to the indemnity under Article IV, Rule 6 of the Hague or Hague Visby Rules concerning shipment of dangerous goods. The redrafting makes clear that the exclusion will apply to all contracts of carriage, not just bills of lading, and will embrace all liabilities (including pollution, wreck removal and personal injury), not just cargo.</i></p>

<p>Rule 5 P Recoveries, savings by the Owner and subrogation</p> <p>P. <b>Rights of recovery, third party</b> R recoveries, savings by the Owner, and subrogation</p> <p>i. <b>Unless and to the extent that the Members' Committee in its discretion otherwise decides, there shall be no recovery from the Club in respect of liabilities, costs and expenses arising out of or in connection with contracts for carriage wholly or partly by sea to the extent such liabilities, costs and expenses would not have been incurred or borne by the Member but for its waiver or limitation of, or failure to incorporate, rights of recourse that would have been available under a bill of lading contract which incorporated Article IV Rule 6 of the Hague or Hague Visby Rules or any equivalent provision under other applicable law, unless such rights of recourse are not available by reason of mandatorily applicable law.</b></p> <p>ii. i. Unless otherwise agreed in writing by the Managers, where the Club has paid a claim to or on behalf of an Owner, the whole of any recovery from a third party in respect of that claim shall be credited and paid to the Club up to an amount corresponding with the sum paid by the Club together with any interest element on that sum comprised in the recovery, provided however that where, because of a deductible in its terms of entry, the Owner has contributed to settlement of the claim, any such interest element shall be apportioned between the Owner and the Club taking into account the payments made by each and the dates on which those payments were made.</p> <p>iii. ii. Unless otherwise agreed in writing by the Managers, where the Owner, as a result of an event for which it is covered by the Club, has obtained extra revenue or saved costs or expenses which would otherwise have been incurred and which would not have been covered by the Club, the Club may deduct from the sum otherwise payable to the Owner an amount corresponding to the benefit obtained.</p>	<p><i>The proposed amendment to the Club's Rule 5P will ensure alignment with the redrafted exclusion in the Pooling Agreement for 2026.</i></p>
<p><b>Rule 4 Section 2: Passenger Ships</b></p> <p><i>Amend Rule 4 Section 2 by the deletion of words indicated and by the addition of words in bold type as shown below:</i></p> <p>The Owner of a passenger Ship may be insured <del>against any of the following risks</del> upon such terms and conditions as may be agreed by the Managers in writing <b>against a</b></p> <p>A. <del>A liability for loss of or damage to the effects of any passenger or personal injury, illness or death of any passenger and hospital, medical or funeral expenses incurred in connection therewith to the extent that such liability, costs or expenses are not recoverable under Section 0 of Rule 2.</del></p>	<p><b>Rule 4 Section 2: Passenger Ships</b></p> <p><i>Members have in the past been able (by special written agreement) to buy additional cover for liability to pay damages or compensation, including travel and maintenance costs, to persons who have a passenger booking but whose cruise is cancelled before they even board, due to a casualty to the Entered Ship.</i></p>

<p><del>B. — Notwithstanding the provisions of Rule 5G(vi), liability to pay damages or compensation to passengers intended to be carried on board an Entered Ship arising as a consequence of a casualty to that Ship, including the costs of travel and maintenance.</del></p>	<p><i>The provision of this cover is no longer economically viable and now falls outside the Club's risk appetite. It is accordingly proposed to delete the relevant provision – which comprises Section 2B of Rule 4.</i></p>
<p><b>Rule 5 H. Exclusion of certain liabilities, costs and expenses of salvage Ships, drilling Ships, dredgers and others</b></p> <p><i>Amend Rule 5 (H) by the deletion of words indicated and by the addition of the words in bold type as shown below:</i></p> <p>H. Exclusion of certain liabilities, costs and expenses of salvage Ships, drilling Ships, dredgers and others</p> <p>Unless and to the extent that special cover shall have been agreed between the Owner and the Managers in accordance with the provisions of Rules 3 or 4, the Club shall not be liable for any claim relating to liabilities, costs and expenses incurred by the Owner of:</p> <p>...</p> <p>iii. an Entered Ship which is used for operations of dredging, blasting, pile-driving, well-intervention, cable or pipe laying, construction, installation, maintenance work, core sampling, depositing of spoil, mining, power generation, decommissioning, <b>the deployment, operation and recovery of pneumatic barriers</b>, or such other operations as the Managers may determine from time to time, when the claim arises as a consequence of:</p> <p>(a) claims brought by any party for whose benefit the work has been performed, or by any third party (whether connected with any party for whose benefit the work has been performed or not), in respect of the specialist nature of the operations; or</p> <p>(b) the failure to perform such Specialist Operations by the Owner or the fitness for purpose or quality of the Owner's work, products or services; or</p> <p>(c) any loss of or damage to the contract work.</p>	<p><b>Rule 5 H. Exclusion of certain liabilities, costs and expenses of salvage Ships, drilling Ships, dredgers and others</b></p> <p><i>The use of pneumatic barriers (also known as "bubble curtains"), has become increasingly prevalent within the offshore windfarm industry. The IG has recently determined that the use of such barriers - including their deployment and removal - constitutes a specialist operation for which Pooling cover should be subject to certain exclusions.</i></p> <p><i>The additional wording will therefore align the Club Rules with revisions to the Pooling Agreement for 2026.</i></p>
<p><b>Rule 44: Definitions</b></p> <p><i>Amend Rule 44 Definitions by the addition of words in bold type as shown below:</i></p> <p><b>Passenger: Any person carried on board an Entered Ship pursuant to a contract of carriage, not being a person engaged or employed in any capacity in connection with the operation of the Entered Ship.</b></p>	<p><b>Rule 44: Definitions</b></p> <p><i>It is proposed newly to define the term "Passenger" to provide greater certainty as to its meaning and application.</i></p>